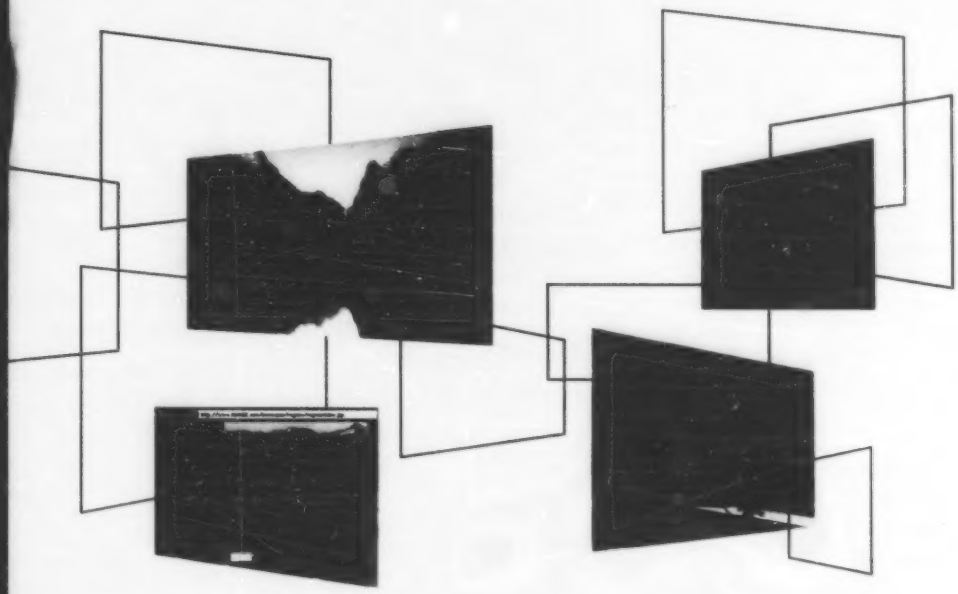

# BUSINESS PLAN

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# THE VIEW

Tourism British Columbia's vision is to be recognized and respected as a world leader in tourism destination management. Our mission is to exceed our customers' expectations by providing leadership and programs that ensure the success of the British Columbia tourism industry, resulting in a quality visitor experience. Our Corporate Values are:

**Integrity** – what we bring as individuals;
**Enthusiasm** – what we portray;
**Teamwork** – how we work together; and
**Progressive** – what we strive for.

Under the Tourism British Columbia Act, legislated in 1997, the corporation's mandated goals are to:

- Position BC as a preferred travel destination to consumers and the travel trade;
- Provide travel information and services for tourists which encourage initial and repeat visitation, longer stays, and extended travel throughout the province;
- Implement programs which provide an assurance to the visitor that acceptable standards are available, and encourage operators to enhance the quality of their products;
- Foster the development of an industry which is professional, well-trained, and provides quality services to visitors from around the world;
- Undertake research on the size and growth of the industry, and provide analysis of issues impacting development of the industry for use by government agencies and industry organizations;
- Pursue opportunities to generate incremental revenue through program activities and leveraging resources of the tourism industry and non-traditional partners to ensure resources are available to achieve the organization's objectives.

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3 3298 00260 8926

# FROM HERE

Having officially passed into a new century and millennium, we now have a current perspective of the future. One thing is perfectly clear – despite ongoing changes in technology, communications and global economies, people still want to travel. The leadership that tourism has assumed among service industries makes it well poised to maximize the vast opportunities that exist today and will emerge in the coming years.

Tourism is now rightfully recognized as a pillar of the new economy. However, as is the experience with any industry, with growth come ever-changing challenges and opportunities. With a dynamic, new industry come heightened expectations.

By the end of the 21st century's first decade, international visitation will achieve the one billion mark, with revenues of approximately $1.5 trillion. This is a significant threshold for the industry because it symbolizes that tourism has arrived as an important economic contributor. This is particularly true for British Columbia, where tourism is now among the leading industries in the province.

## THE GLOBAL PERSPECTIVE

Tourism has grown to become one of the largest industries in the world, with revenue and visitor volume continuing to increase. Disposable income and leisure time are growing for our aging population, a demographic advantage that favours the tourism industry. Technology has also had a significant impact on tourism patterns around the globe, as travel decisions are increasingly fewer and fewer clicks away. Today, 25% of all products sold on the Internet are travel related, and it is expected that this type of travel purchase will grow exponentially. By 2003, the second year of this plan, online travel bookings are expected to achieve 10% of total travel sales worldwide.

Knowing who is travelling and how they are booking is vital information, but as destination marketers we also have to understand the "what" and "why" of travel decisions. The recent trend for quick getaways is still very evident, particularly when the offerings convey good value. Demand for specialized tours built around adventure, culture and education is also on the rise. We are now in the era of growing personalization of the travel experience.

## THE BC PERSPECTIVE

British Columbia is in an enviable position among world travel destinations to deliver many exciting experiences. Our unique tourism mix combines spectacular natural beauty, outdoor adventure, cultural diversity and cosmopolitan city experiences. However, given the intense and growing competition for visitors worldwide, great products are not enough. BC's tourism assets must be professionally marketed and supported in order to maintain and increase our share of visitor dollars.

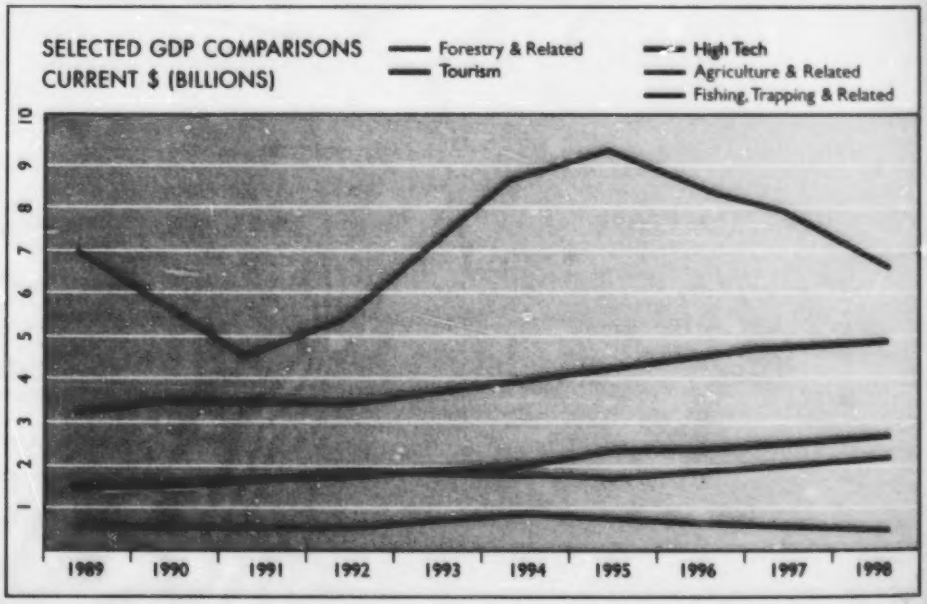
Tourism makes a significant and growing contribution to the provincial economy in terms of jobs and revenue. There are now approximately 17,000 tourism-related businesses throughout the province, with more than 110,000 people employed in jobs directly related to tourism. The most recent Gross Domestic Product figures show that the tourism industry contributed $4.9 billion to the provincial economy in 1998, ahead of many traditional BC economic mainstays like manufacturing, mining, agriculture and fishing.

In constant dollars, tourism GDP has grown significantly over the ten-year period from 1989 to 1998, up 22.7%. Tourism GDP, in current dollars, has grown as a proportion of forestry from 45.1% in 1989 to 72.7% in 1998.

Tourism in British Columbia continued to achieve record numbers in 2000. BC saw an estimated 22.4 million visitors, an increase of 1.6% over 1999. The 2000 tourism revenues of $9.5 billion was an improvement of 3.6% over 1999.

Currently, 85% of BC's tourism revenue comes from nine core markets, with North America representing the largest source of visitors and revenue. Overall, BC residents generate the greatest revenues, contributing 26% of the province's total tourism proceeds. California, Washington, Alberta and Ontario are among our other North American core markets.

The size, proximity and ease of access of the United States make it an important market for British Columbia. Though the U.S. economy reached historic strength in the 1990s, the total number of visitors from




Source: BC Stats

## THREE-YEAR OUTLOOK BY OVERNIGHT VISITOR MARKET VOLUME (000'S)

| | 2000 Overnight Visitors | % Change Overnight Visitors '99 to '00 | Forecast Overnight Visitors 2001 | Forecast % Change Overnight Visitors '00 to '01 | Forecast Overnight Visitors 2002 | Forecast % Change Overnight Visitors '01 to '02 | Forecast Overnight Visitors 2003 | Forecast % Change Overnight Visitors '02 to '03 |
|---|---|---|---|---|---|---|---|---|
| **North America** | **20,706** | **1.3%** | **20,973** | **1.3%** | **21,334** | **1.7%** | **21,756** | **2.0%** |
| **Asia/Pacific** | **897** | **6.4%** | **925** | **3.1%** | **958** | **3.6%** | **996** | **4.0%** |
| **Europe** | **689** | **2.7%** | **694** | **0.7%** | **709** | **2.2%** | **725** | **2.2%** |
| **Other Overseas** | **153** | **6.1%** | **157** | **3.0%** | **162** | **3.0%** | **167** | **3.0%** |
| **Total** | **22,445** | **1.6%** | **22,750** | **1.4%** | **23,163** | **1.8%** | **23,644** | **2.1%** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001

the United States slowed to a steady 1.4% growth in 2000. Washington remains the largest single source of U.S. visitors and travel dollars, accounting for 36% of revenue.

Within Canada, the strong economies of Alberta and Ontario make these provinces major sources of visitors and travel dollars. In 2000, Alberta remained the largest Canadian short-haul market while Ontario accounted for 73% of the Canadian long-haul market.

The total number of international visitors to British Columbia grew by 2.3% in 2000. Total visitation from Asia/Pacific is up a reasonable 6.4%, with encouraging growth from new markets such as China and South Korea. European markets remain a significant source of visitors and revenue, with total European visitation increasing in 2000 by 2.7%.

Future growth in revenue and visitation for BC will be tempered by some key factors that have long-term implications. Changes in the Canadian airline industry as a result of the 1999 merger between Air Canada and Canadian Airlines will continue to have a significant impact on BC tourism, as routes and fares continue to fluctuate. In addition, fuel prices and a slowing of the U.S. economy are anticipated to affect the growth that tourism in BC has enjoyed over the previous ten years.

In the near term, there are significant opportunities associated with the Vancouver Whistler 2010 Olympic Bid and the Vancouver convention centre expansion. The success of either would also enhance long-term industry growth throughout the province.

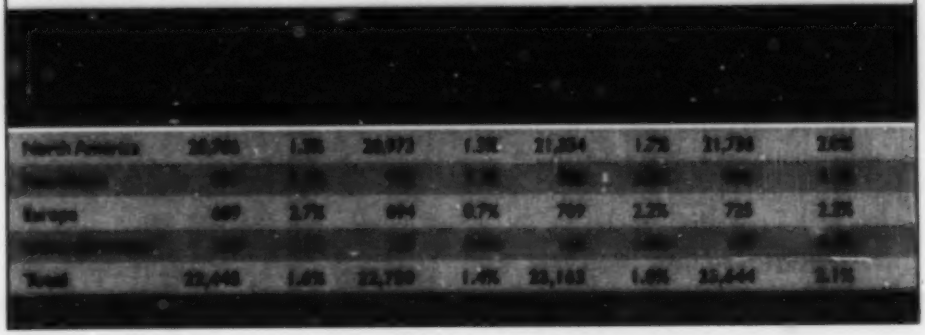


## THREE-YEAR OUTLOOK BY OVERNIGHT VISITOR REVENUE ($MILLIONS)

| | 2000 Overnight Revenue | % Change Overnight Revenue '99 to '00 | Forecast Overnight Revenue 2001 | Forecast % Change Overnight Revenue '00 to '01 | Forecast Overnight Revenue 2002 | Forecast % Change Overnight Revenue '01 to '02 | Forecast Overnight Revenue 2003 | Forecast % Change Overnight Revenue '02 to '03 |
|---|---|---|---|---|---|---|---|---|
| **North America** | **7,675** | **2.9%** | **7,898** | **2.9%** | **8,161** | **3.3%** | **8,447** | **3.5%** |
| **Asia/Pacific** | **984** | **8.0%** | **1,030** | **4.7%** | **1,084** | **5.2%** | **1,144** | **5.6%** |
| **Europe** | **712** | **4.2%** | **727** | **2.1%** | **755** | **3.8%** | **783** | **3.8%** |
| **Other Overseas** | **79** | **7.7%** | **83** | **4.5%** | **87** | **4.5%** | **91** | **4.5%** |
| **Total** | **9,452** | **3.6%** | **9,739** | **3.0%** | **10,087** | **3.6%** | **10,465** | **3.8%** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001

## THREE-YEAR OUTLOOK BY OVERNIGHT VISITOR MARKET VOLUME (000'S)



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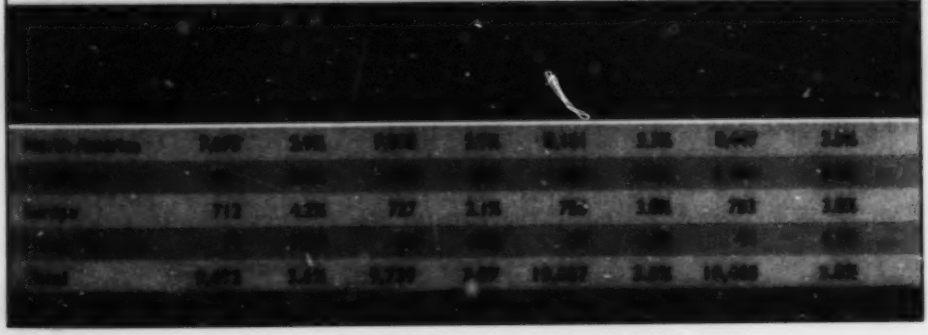

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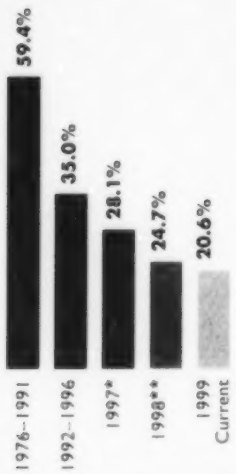
## A WORLD OF COMPETITION

British Columbia has enjoyed tremendous tourism growth over the past decade, achieving an estimated $9.5 billion in revenue in 2000. However, along with industry growth comes intense international competition. Around the globe, competing destinations have been bolstered by significant investments in transportation, infrastructure, development and marketing. This has been exacerbated by the strength of the U.S. dollar in many of the markets that are in direct competition with BC. Emerging markets have also eaten into global market share, with nations in Africa, Asia and South America posting notable gains in visitation.

Tourism British Columbia's performance in the years since becoming a Crown corporation speaks to the corporation's commitment to the idea of ensuring value for money. Tourism marketing in BC has traditionally seen less reinvestment than other competing jurisdictions, despite a favourable return on dollars spent. In real terms, marketing investment in BC has diminished over the last decade. Tourism BC is committed to maximizing existing resources to minimize the growing gap between the province's tourism performance and its true potential for revenue and visitation.




HISTORIC FUNDING FOR TOURISM BC
(As percent of Hotel Tax)
*Special Operating Agency **Crown corporation

***Related Notes:*** Tourism BC received a one-time grant of $3.8 million in fiscal 1998, increasing total funding to 24.7%.

### COMPARATIVE TOURISM REINVESTMENT BY JURISDICTION

| | Tourism Investment (Millions $CDN) | Tourism Revenue (Billions $CDN) | Rate of Reinvestment (Investment/Revenue) | Comparative Spending Relative to B.C. |
|---|---|---|---|---|
| **British Columbia** | 26 | 9.2 | 0.0028 | 1.00 |
| **Ontario** | 43 | 14.1 | 0.0030 | 1.08 |
| **Alberta** | 21 | 4.2 | 0.0050 | 1.77 |
| **Quebec** | 81 | 5.4 | 0.0149 | 5.28 |
| **Nova Scotia** | 19 | 1.3 | 0.0146 | 5.17 |
| **Queensland** | 74 | 6.9 | 0.0107 | 3.79 |
| **Puerto Rico** | 44 | 3.1 | 0.0142 | 5.02 |
| **Bahamas** | 56 | 3.0 | 0.0187 | 6.61 |

***Related Notes:*** Budgets are adjusted to be equivalent to Tourism BC's mandate: 2000/01 Except Queensland and Puerto Rico 99/00. Sources: Tourism BC, Ontario Ministry of Tourism Business Plan 2000/2001, Nova Scotia Ministry of Tourism and Culture Business Plan 2000/2001, Plan D'Action Tourisme Quebec 2000/2001, Tourism Queensland Annual Report 1999/2000, Puerto Rico Tourism Co., and Bahamas Ministry of Tourism. 2000 Business Plan targets for Ontario and Nova Scotia. Tourism BC Estimate for 1999 for BC. BC Ministry of Small Business Tourism & Culture Growth Management Strategy Draft report for Quebec. Alberta and Queensland. Bahamas tourism investment represents expenditure on marketing and public relations only, and is for July 2000 to June 2001. Revenue is 2000 projected revenue as noted by Director-General of Ministry of Tourism (Source: www.bahamas.com/news_weather/index.html).

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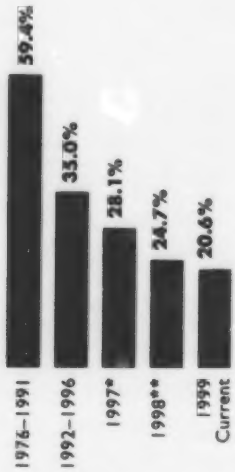


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*Special Operating Agency **Crown corporation

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## COMPARATIVE TOURISM REINVESTMENT BY JURISDICTION

| | Tourism Investment | Tourism Revenue | Rate of Reinvestment | Comparative Spending Relative to B.C. |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | 21 | 4.2 | 0.0050 | 1.99 |
| [illegible] | 19 | 1.3 | 0.0146 | 5.17 |
| [illegible] | 44 | 3.1 | 0.0142 | 5.03 |

***Related Notes:*** Budgets are adjusted to be equivalent to Tourism BC's mandate. 2000/01 Except Queensland and Puerto Rico 99/00. Sources: Tourism BC, Ontario Ministry of Tourism Business Plan 2000/2001, Nova Scotia Ministry of Tourism and Culture Business Plan 2000/2001, Plan D'Action Tourisme Quebec 2000/2001, Tourism Queensland Annual Report 1999/2000, Puerto Rico Tourism Co., and Bahamas Ministry of Tourism. 2000 Business Plan targets for Ontario and Nova Scotia. Tourism BC Estimate for 1999 for BC. BC Ministry of Small Business Tourism & Culture Growth Management Strategy Draft report for Quebec, Alberta and Queensland. Bahamas tourism investment represents expenditure on marketing and public relations only, and is for July 2000 to June 2001. Revenue is 2000 projected revenue as noted by Director-General of Ministry of Tourism (Source: www.bahamas.com/news_weather/index.html).

## TOURISM BC'S ROLE

To further develop our province's position as a leading travel destination, Tourism BC is diligent in bringing together diverse interests of our industry — from sector organizations and regional destination marketing associations to individual operators and the public. Our role is to promote success by leveraging those resources available to the industry, and by providing useful information and tools as they relate to the industry's vision for growth.

Established in 1997 as a Crown corporation, Tourism BC's highly regarded model of corporate governance is directly related to our mission. Our independent Board of Directors understands tourism because they work in the industry. The Directors are active participants in tourism, bringing the skills, knowledge and experience needed to support our industry's long-term development.

### Our Integrated Organizational Structure

In an increasingly competitive tourism environment, one of our key strengths is our integrated approach in delivering programs to enhance the visitor experience. Tourism BC is structured to function as a professional marketing organization, with business units strategically focused across the consumer purchase cycle.

Our **Marketing & Sales** division develops consumer and trade marketing programs based on consumer research and targeted to markets identified as priorities. By participating in these programs, BC operators can leverage their marketing dollars to reach more potential visitors. The **Tourism Operations** division deals directly with visitors and the industry to improve the quality of the tourism product and enhance the visitor experience. Our **Business Development** division focuses on industry needs, seeking innovative ways to generate funding and providing the information and tools that foster industry development. Our **Corporate Services** and **Human Resources Development** divisions provide internal support for the corporation's activities.

### A Three-Year Perspective

***Fiscal 2002–2004 Forecasts***

As part of our formal planning process, this Business Plan emphasizes key strategies and goals over a three-year period to provide a longer-term view of Tourism BC's vision and direction. The highlights presented here reflect our overall goal of increasing British Columbia's share of the world tourism market and provide benchmarks for our corporate performance.

In developing this three-year Business Plan, we have been guided by a number of imperatives, including the need to further integrate our use of technology to address the growing popularity of the Internet as a source of travel information and bookings. Planned activity in this area will see further expansion of our web site, HelloBC.com, and the continued transformation of the Super, Natural British Columbia Reservation and Information Service (SNBC) into a multi-channel resource focused on maximizing tourism transactions.

The need to develop tourism products that address customer demand — in terms of timing and types of product — remains a key component of our business strategy.

Essentially, there are three key corporate strategies intended to fulfill Tourism BC's mandated goals. These include:

- ***Continuity of Core Business Strategies***
  - Maintain a "balanced portfolio" approach by concentrating marketing investment in high priority markets and product segments.
  - Explore and develop emerging markets.
  - Enhance the efficiency and effectiveness of operations.
  - Pursue alternative, incremental revenue sources.
  - Operate within five-year financial frameworks.

- ***Pursue Longer-term Goals Identified in the Corporate Development Plan***
  - Grow Tourism BC's scope and resources.
  - Ensure Tourism BC continually adds value to stakeholders.
  - Maximize the utility of technology.
  - Demonstrate value for money in program activities.
  - Cultivate a corporate culture based on shared values.
  - Build excellence in marketing through branding and strong relationships.

- ***Participate in Intermediate and Long-term Business Initiatives***
  - Vancouver Whistler 2010 Olympic Bid.
  - Vancouver Convention Centre expansion.
  - Work with the tourism industry to address the impacts of airline industry restructuring through the BC air merger consortium.

By strategically and systematically refining marketing efforts, the province's tourism potential can be fully realized. BC has built tremendous equity as a highly regarded travel destination, and the visitor experience remains a vital marketing advantage.

## FINANCIAL COMMITMENT

In order to achieve these goals, Tourism BC will invest $30.7 million in tourism marketing programs in 2001/2002. Over the next three years Tourism BC's investment will amount to $91.6 million.

Tourism BC's revenue is directly tied to the performance of the provincial tourism industry. Through a legislated funding formula, the corporation receives 1.65 points of the 8% BC Hotel Room Tax. Success in increasing visitor revenue and creating tourism-related jobs will lead to higher level hotel room earnings and in turn, an increased budget for Tourism BC which can be reinvested to support the industry.

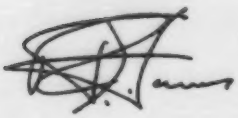
Revenue originating from the Hotel Room Tax in 2001/02 is anticipated to increase by 3.5% to $23.5 million (based on forecasted growth of 4.5% in 2000/01).

During 2001/2002, Tourism BC will continue to focus on creating opportunities for generating additional revenue through increased SNBC call centre activities, publication advertising and retail merchandising. Expenses are estimated to exceed total revenues by $2.1 million as per our long-term financial plan. Funds to offset this deficit will come from unappropriated surplus, projected to decline at an orderly rate, allowing for a consistent level of program expenditures over the next four years. Over that time, hotel tax revenue growth is expected to catch up to expenditure levels.

## PROJECTED REVENUE AND EXPENSES
## FISCAL* 2002/2004

| | [illegible] | [illegible] | Forecast |
|---|---|---|---|
| | [illegible] | [illegible] | 2003/2004 |
| **Revenue** *($000s)* | | | |
| Hotel Room Tax | [illegible] | [illegible] | 24,959 |
| Program Activities | [illegible] | [illegible] | 4,835 |
| Investment Income | 230 | 140 | 100 |
| | [illegible] | [illegible] | 29,894 |
| **Expenses** *($000s)* | | | |
| Marketing & Sales | [illegible] | [illegible] | 11,648 |
| Tourism Operations | [illegible] | [illegible] | 11,613 |
| Business Development | [illegible] | [illegible] | 3,462 |
| Corporate Services, Human Resources, CEO's Office, and Board | [illegible] | [illegible] | 2,942 |
| Amortization | 900 | 900 | 900 |
| | [illegible] | [illegible] | 30,565 |
| Expenses over Revenues | [illegible] | [illegible] | (671) |
| Opening surplus | [illegible] | [illegible] | 2,145 |
| Closing surplus | [illegible] | [illegible] | 1,474 |

* Tourism BC's fiscal year runs from April 1 through March 31.

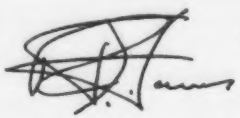


Rod Harris
President and Chief Executive Officer

## PROJECTED REVENUE AND EXPENSES
## FISCAL* 2002/2004

| | Budget 01/2002 | Forecast /2003 | Forecast 2003/2004 |
|---|---|---|---|
| **Revenue** *($000s)* | | | |
| Hotel Room Tax | 23,526 | 24,232 | 24,959 |
| Program Activities | 4,807 | 4,821 | 4,835 |
| Investment Income | 230 | 140 | 100 |
| | 28,563 | 29,193 | 29,894 |
| **Expenses** *($000s)* | | | |
| Marketing & Sales | 11,585 | 11,616 | 11,648 |
| Tourism Operations | 11,688 | 11,532 | 11,613 |
| Business Development | 3,506 | 3,434 | 3,462 |
| Corporate Services, Human Resources, CEO's Office, and Board | 2,894 | 2,909 | 2,942 |
| Amortization | 980 | 900 | 900 |
| | 30,653 | 30,391 | 30,565 |
| Expenses over Revenues | (2,090) | (1,198) | (671) |
| Opening surplus | 5,453 | 3,343 | 2,145 |
| Closing surplus | 3,343 | 2,145 | 1,474 |

* Tourism BC's fiscal year runs from April 1 through March 31.



Rod Harris
President and Chief Executive Officer

# MARKETING & SALES

## PERFORMANCE THROUGH

The Marketing & Sales division's primary focus is on building awareness to stimulate the purchase of BC tourism products. This is achieved by working with industry partners to create and implement distinct programs targeted to key markets, consumer segments and the travel trade - at the same time providing excellent value for money.

The integrated approach utilized by Tourism British Columbia is built geographically around our key markets: North America, Asia/Pacific and Europe.

Our overall consumer and trade strategy is executed across a number of marketing activities and channels including advertising and promotion, the Internet, publications, media relations, trade promotions, trade shows, familiarization trips, and marketing research. Key initiatives include HelloBC.com, the Tourism Partners program, BC Escapes, and Canada's West Marketplace.

- Develop BC's tourism potential from primary target markets among high potential travellers across a range of product experiences.
- Spread the economic benefits of tourism throughout the province and across seasons.
- Leverage financial resources to achieve optimum presence and provide opportunities for tourism businesses to collectively reach target markets.
- Increase number of trips, length of stay and consumer spending levels.

**Marketing & Sales 2001/2002 Expenditure Summary**

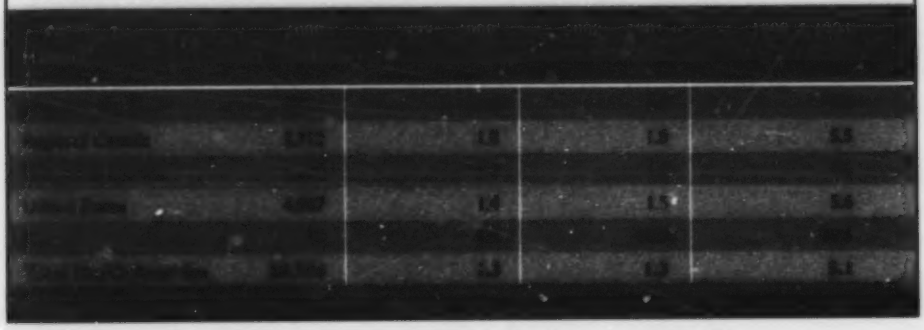
## NORTH AMERICA

BC derives more business from North America than any other market. By sheer size and proximity it consistently generates more than 80% of total visitor revenue. Tourism BC promotes quick getaways and longer-stay vacations to North American visitors, focusing on different regional destinations and offering a broad range of products in every season. To reach common target markets, Tourism BC partners with the Canadian Tourism Commission (CTC), the Tourism Alliance and many BC partners.

## VISITOR VOLUME & REVENUE

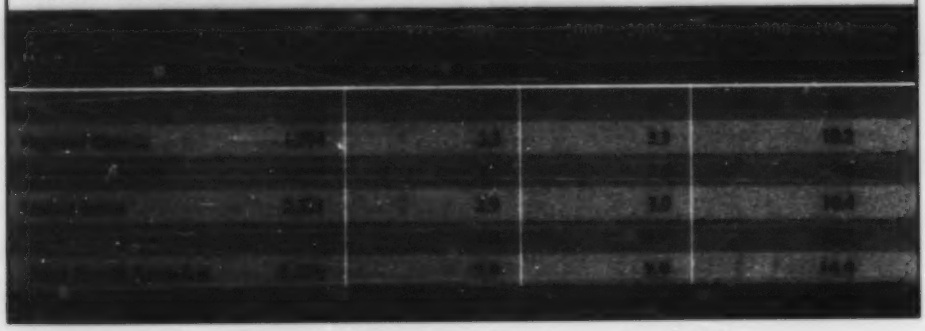
Tourism BC forecasts call for total North American visitor volume to increase by 1.3% or 267,000 visitors in 2001, with revenue from North American visitors growing by 2.9% or $223 million. Over the three-year period from 2000 to 2003, total North American visitor revenue is forecast to increase by 10.0% to $8.4 billion. At the same time, BC is expecting a volume increase of 5.1%, or 1,050,000 visitors.

### NORTH AMERICA THREE YEAR VISITOR VOLUME GROWTH PROJECTION



Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001.

### NORTH AMERICA THREE YEAR REVENUE GROWTH PROJECTION



Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001.

## VISITOR VOLUME & REVENUE

Tourism BC forecasts call for total North American visitor volume to increase by 1.3% or 267,000 visitors in 2001, with revenue from North American visitors growing by 2.9% or $223 million. Over the three-year period from 2000 to 2003, total North American visitor revenue is forecast to increase by 10.0% to $8.4 billion. At the same time, BC is expecting a volume increase of 5.1%, or 1,050,000 visitors.

### NORTH AMERICA THREE YEAR VISITOR VOLUME GROWTH PROJECTION

| Market | 2000 Visitors (000's) | 1999 – 2000 % Change | 2000 – 2001 % Change | 2000 – 2003 % Change |
|---|---|---|---|---|
| **British Columbia** | **10,761** | **1.0** | **1.0** | **4.6** |
| **Regional Canada** | **3,712** | **1.8** | **1.8** | **5.5** |
| **Long-Haul Canada** | **1,202** | **1.8** | **1.0** | **4.6** |
| **United States** | **4,967** | **1.4** | **1.5** | **5.6** |
| **Mexico** | **63** | **6.6** | **10.0** | **33.1** |
| **Total North America** | **20,706** | **1.3** | **1.3** | **5.1** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001.

### NORTH AMERICA THREE YEAR REVENUE GROWTH PROJECTION

| Market | 2000 Revenue ($millions) | 1999 – 2000 % Change | 2000 – 2001 % Change | 2000 – 2003 % Change |
|---|---|---|---|---|
| **British Columbia** | **2,476** | **2.5** | **2.5** | **9.3** |
| **Regional Canada** | **1,794** | **3.3** | **3.3** | **10.2** |
| **Long-Haul Canada** | **1,040** | **3.3** | **2.5** | **9.3** |
| **United States** | **2,321** | **2.9** | **3.0** | **10.4** |
| **Mexico** | **45** | **8.2** | **11.7** | **39.2** |
| **Total North America** | **7,675** | **2.9** | **2.9** | **10.0** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001.

## Key Challenges

In addition to increasing competition from other destinations, there are several factors that are impacting BC's tourism potential:

- Canada's market share of U.S. travellers is shrinking.
- Limited awareness of the Super, Natural British Columbia brand.
- The majority of American travel continues to take place in the summer.
- The high cost of intra-provincial air travel remains a deterrent to visitors travelling throughout the province.
- The current state of the provincial economy makes it difficult to increase tourism spending by BC residents.
- Hotel room capacity currently exceeds demand.



## Key Opportunities

Tourism continues to be a growth industry in North America. The following factors represent key opportunities for BC over the next three years:

- Increasing disposable income and time available for leisure travel among the baby boomer generation.
- The relative strength of the U.S. economy and the U.S. dollar.
- The proximity of the North American market.
- Increased demand for niche travel experiences, such as adventure, learning, wildlife, wellness, etc.
- Increase in shoulder season travel for retirees and empty nesters.
- Leveraging successful getaway programs and expanding into new markets.
- A nearly 30% increase in Greater Vancouver hotel capacity allows for renewed emphasis on summer.

## Focus of Effort

### *Markets*

- Key investment markets include BC, Alberta, Ontario, Washington State, Oregon, California (specifically the San Francisco Bay Area, Los Angeles and San Diego) and Arizona (Phoenix). Maintenance markets include Manitoba, Saskatchewan, New York, Texas, Minnesota, Florida, Illinois and Colorado. Mexico and South America remain emerging markets for travel to BC.

### *Products*

- The focus of Tourism BC's North American efforts will continue to promote touring, which includes both long and short stays (getaways) encompassing a range of product experiences such as sightseeing, attractions, and culture.
- Through partnership with regional destination management organizations and sector associations, specific product experiences such as ski, golf, outdoor and adventure, fishing, guest ranches, spas and other niche products are also supported.

### *Target Audiences*

- Repeat visitors
- High potential travellers, who are frequent travellers
  - Aged 35 – 54 and 55+
  - With post secondary education
  - Above average household incomes
  - Active lifestyles
  - Participate in outdoor activities

## Performance Objectives

- Contribute to the BC tourism industry's revenue growth of 2.9% from North America for 2001 and cumulative growth of 10.0% by 2003.
- Increase getaway business to BC in spring and fall from priority markets by generating $45 million in tourism revenues through the BC Escapes program, with inquiries increasing by 5% and bookings by 6% over last year.
- Build tourism revenues throughout the province and across sectors by providing co-op marketing opportunities for over 1,000 tourism businesses through the Tourism Partners Program and sector specific activities.
- Maintain a minimum 40% BC share of Canadian tours in key tour operator brochures.
- Achieve a doubling of applied marketing investment through industry leverage.

## Strategic Priorities

BC will be positioned as a travel destination that offers an affordable, refreshing vacation or getaway experience by providing a unique variety of attractions and experiences against a backdrop of Super, Natural scenery. For city destinations, the focus is to offer a cosmopolitan atmosphere with numerous urban attractions situated against a scenic background.

- Offer specially priced packages to consumers in specific target markets through the BC Escapes program, utilizing a range of cost-effective, integrated media that includes direct response television, print, direct mail, online promotion and media relations.
- Continue to use research to ensure consumer needs are being addressed through existing programs and to identify new areas of opportunity.
- Utilize database marketing to target high potential consumers and encourage repeat visitation.
- Encourage regional brand and destination development through the Tourism Partners program.
- Create opportunities for tourism businesses to leverage their marketing investments by participating in programs produced by Tourism BC and the regional destination marketing organizations.
- Support key sectors through co-op financial partnerships and by participating in or leading the development, execution, and evaluation of sector marketing programs.

- Promote and distribute over 1.7 million touring, regional, and sector specific consumer guides.
- Maintain and increase BC's position with the travel trade by participating in 15 trade shows, conducting eight trade educational tours, and developing a minimum of seven co-op promotions with key tour operators.
- Proactively seek unpaid media coverage to increase awareness of BC as a travel destination.



## OVERSEAS

The Overseas unit of the Marketing & Sales division works with the Canadian Tourism Commission (CTC), airlines and key tour operators to capitalize on opportunities from core European and Asia/Pacific markets. Tourism BC has representatives based in the U.K., Germany, Japan, Taiwan and Australia working on behalf of BC suppliers through trade activities that include sales calls, attendance at trade shows, seminars, trade familiarization tours, and trade publications. Consumer-focused activities include joint advertising and promotions with tour operators, developing foreign language publications and media relations.

## ASIA/PACIFIC

### VISITOR VOLUME & REVENUE

Visitor volumes from Asia/Pacific are forecast to grow 3.1% in 2001, resulting in a total of 925,000 overnight visitors to BC. Revenues generated by these visitors are forecast to total $1.030 billion in 2001, an increase of 4.7%.

Over the next three years, visitor volumes are forecast to grow by 11.0% to 996,000, reflecting an increase of 99,000 overnight visitors. During the same period revenues are forecast to grow by 16.3% to reach $1.144 billion.

### Key Challenges

- Uncertainty due to the restructuring of Canada's airline industry may hamper long-term planning and potentially, market growth.
- Though economic recovery from the Asia/Pacific region has been strong, many variables are affecting the ability to project long-term forecasts for this region.
- Trade consolidation and reduced margins are contributing to wholesalers' reluctance to introduce new product.
- Sydney Olympics may have enhanced Australia's competitive position worldwide.

## ASIA/PACIFIC THREE YEAR VISITOR VOLUME GROWTH PROJECTION

| Market | 2000 Visitors (000's) | 1999 – 2000 % Change | 2000 – 2001 % Change | 2000 – 2003 % Change |
|---|---|---|---|---|
| **Japan** | **296** | **-1.1** | **0.0** | **3.0** |
| **Australia** | **144** | **11.8** | **1.0** | **7.2** |
| **New Zealand** | **29** | **-9.2** | **0.0** | **5.1** |
| **Taiwan** | **118** | **3.1** | **3.0** | **9.3** |
| **Hong Kong** | **82** | **-4.5** | **0.0** | **2.0** |
| **South Korea** | **85** | **38.7** | **10.0** | **21.3** |
| **China** | **47** | **30.4** | **15.0** | **52.1** |
| **Other Asia/Pacific** | **95** | **12.9** | **7.5** | **24.2** |
| **Total Asia/Pacific** | **897** | **6.4** | **3.1** | **11.0** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001.



## ASIA/PACIFIC THREE YEAR REVENUE GROWTH PROJECTION

| Market | 2000 Revenue ($million) | 1999 – 2000 % Change | 2000 – 2001 % Change | 2000 – 2003 % Change |
|---|---|---|---|---|
| **Japan** | **290** | **0.4** | **1.5** | **7.7** |
| **Australia** | **173** | **13.5** | **2.5** | **12.0** |
| **New Zealand** | **35** | **-7.8** | **1.5** | **9.9** |
| **Taiwan** | **152** | **4.7** | **4.5** | **14.3** |
| **Hong Kong** | **92** | **-3.1** | **1.5** | **6.7** |
| **South Korea** | **84** | **40.8** | **11.7** | **26.8** |
| **China** | **53** | **32.3** | **16.7** | **59.0** |
| **Other Asia/Pacific** | **107** | **14.6** | **9.1** | **29.9** |
| **Total Asia/Pacific** | **984** | **8.0** | **4.7** | **16.3** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001.

## Key Opportunities

- Older/affluent consumers in Japan who represent a large share of Japanese visitors to BC are less affected by the economic downturn.
- Increased air capacity from Shanghai and Beijing to BC.
- Increased hotel capacity in the Lower Mainland allows for renewed emphasis on high demand summer season.
- Consumer demand for experiential and outdoor travel is forecast to grow, matching BC's tourism product availability.



## Focus of Effort

***Markets***

- Investment markets are Japan, Australia/New Zealand and Taiwan.
- Maintenance markets will continue to be Hong Kong and Korea.
- Emerging markets that will continue to be developed include Southeast Asia (Singapore, Thailand, Malaysia, the Philippines) and China.

***Products***

- Touring represents the largest market potential for all markets, with activities including wildlife viewing, soft adventure, fishing, golf, spas and cultural experiences.
- Other products to be promoted include skiing, as well as niche tours such as spring blossoms and hot springs.

***Target Audiences***

- Leisure travellers with some existing awareness of Canada as a destination, including older couples with above average income and some international travel experience.
- In Japan, the focus is split between those travelling as part of an escorted group and independent travellers on tours with flexible components, with minor emphasis on educational and technical visitors.

## Performance Objectives

- Contribute to the BC tourism industry's revenue growth of 4.7% from Asia/Pacific for 2001 and cumulative growth of 16.3% by 2003.
- Maintain a minimum 60% share of Canadian tours within key tour operator brochures.
- Obtain 75% good or excellent rating from buyers and sellers attending Canada's West Marketplace.

## Strategic Priorities

Tourism BC's Asia/Pacific marketing efforts position BC as a travel destination that offers a diverse range of uniquely Canadian experiences combining nature and urban activities within Super, Natural surroundings.

- Develop 15-20 measurable key account co-op marketing programs designed to increase awareness and convert interest into sales.
- Develop and introduce new products or routes into key accounts and expand existing products or routes into new markets. Product examples are Whistler summer, rail touring, BC Rockies hot springs, spa, wine and food tours and weddings.

- Expand efforts in the China market by co-sponsoring the opening of a CTC office and introducing trade education activities in preparation for Approved Destination Status designation.
- Participate in CTC-led integrated consumer campaigns designed to raise awareness and provide a strong call to action.
- Provide opportunities for BC tourism businesses to meet overseas tour operators by annually co-hosting Canada's West Marketplace with Travel Alberta.
- Distribute 150,000 – 200,000 Tourism BC publications to consumer and trade including language-specific lure brochures, trade manuals and newsletters as well as English language Vacation Planners and new product bulletins.
- Proactively seek targeted media to gain unpaid coverage of new and existing BC products through print, broadcast and appropriate travel media web sites.

# EUROPE

## VISITOR VOLUME & REVENUE

Visitor volume from Europe is forecast to grow 0.7% in 2001, resulting in a total of 694,000 overnight visitors to BC. Revenues generated from European visitors are forecast to grow 2.1% in 2001 to $727 million.

Over the next three years, visitor volume is expected to increase by 5.2%, or 36,000 for a total of 725,000 overnight visitors. During the same period, revenues are forecast to grow by 10.0% to reach $783 million.



## Key Challenges

- Restructuring of the Canadian airline industry has cast uncertainty on long-term planning for European programs.
- Instability and dramatic decline in the value of the Euro may have a negative influence on Canada's competitive position.
- Lack of products that address late bookings and increased price sensitivity continue to exist.
- Conservation and protection of the wilderness and wildlife are sensitive issues in Europe, with tourism to our province being a target of those groups not in support of current BC policies.

### EUROPE THREE YEAR VISITOR VOLUME GROWTH PROJECTION

| Market | 2000 Visitors (000's) | 1999 – 2000 % Change | 2000 – 2001 % Change | 2000 – 2003 % Change |
|---|---|---|---|---|
| **U.K.** | **298** | **11.5** | **2.0** | **6.1** |
| **Germany/Austria/Switzerland** | **160** | **-5.8** | **-2.0** | **3.5** |
| **Netherlands** | **65** | **6.2** | **0.0** | **4.0** |
| **France** | **31** | **-22.8** | **0.0** | **4.0** |
| **Italy** | **19** | **-15.5** | **0.0** | **5.6** |
| **Other Europe** | **117** | **5.3** | **2.0** | **6.1** |
| **Total Europe** | **689** | **2.7** | **0.7** | **5.2** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001

## EUROPE THREE YEAR REVENUE GROWTH PROJECTION

| Market | 2000 Revenue ($million) | 1999 - 2000 % Change | 2000 - 2001 % Change | 2000 - 2003 % Change |
|---|---|---|---|---|
| **U.K.** | **326** | **13.2** | **3.5** | **11.0** |
| **Germany/Austria/Switzerland** | **197** | **-4.4** | **-0.5** | **8.3** |
| **Netherlands** | **54** | **7.8** | **1.5** | **8.8** |
| **France** | **26** | **-21.6** | **1.5** | **8.8** |
| **Italy** | **16** | **-14.3** | **1.5** | **10.4** |
| **Other Europe** | **93** | **6.9** | **3.5** | **11.0** |
| **Total Europe** | **712** | **4.2** | **2.1** | **10.0** |

Projections are estimates which are updated quarterly to reflect ongoing changes in markets. Most recent update March 2001

### Key Opportunities

- U.K. visitors are becoming younger and more adventurous, meaning fewer visitors to Canada are coming exclusively to see friends or relatives.
- Canada is gaining a more positive image.
- Growing Internet use is resulting in more educated and savvy travellers.
- Growing interest in Western Canada from the French and Italian trade.
- The Republic of Ireland has a booming economy, with a young and relatively affluent consumer base that can be accessed through U.K. programs.
- Increased hotel space in the Lower Mainland allows for renewed focus on the high demand summer season that will benefit all regions of the province.

### Focus of Effort

***Markets***

- Investment markets continue to be the U.K. and Germany.
- Maintenance markets continue to be the Netherlands, France, Italy, Switzerland, and Austria.

***Products***

- Touring represents the largest market potential, with activities including wildlife viewing, soft adventure, fishing, golf, spas and cultural experiences.
- Continued promotion of Thompson Okanagan and BC Rockies ski areas will be actively pursued.

# EUROPE

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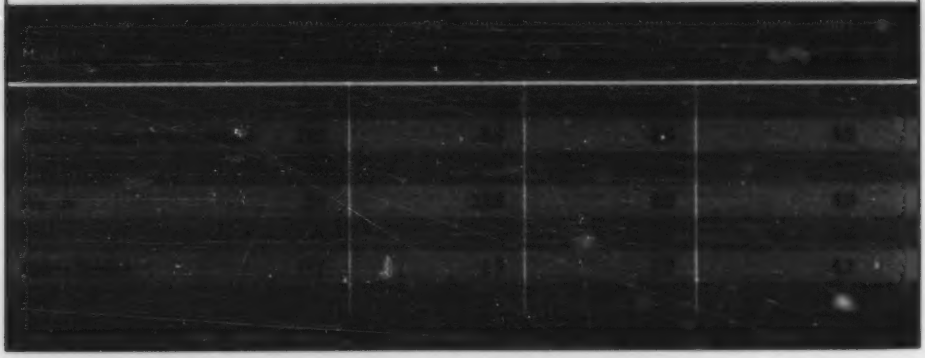
- Lack of products that address late bookings and increased price sensitivity continue to exist.
- Conservation and protection of the wilderness and wildlife are sensitive issues in Europe, with tourism to our province being a target of those groups not in support of current BC policies.

**EUROPE THREE YEAR VISITOR VOLUME GROWTH PROJECTION**



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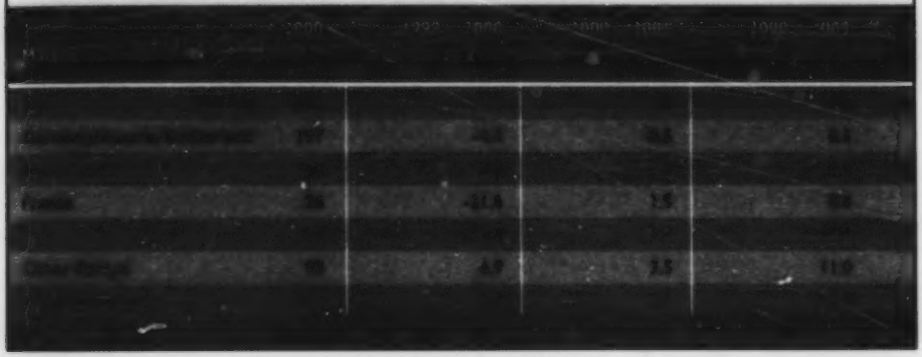

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- Investment markets continue to be the U.K. and Germany.
- Maintenance markets continue to be the Netherlands, France, Italy, Switzerland, and Austria.

***Products***

- Touring represents the largest market potential, with activities including wildlife viewing, soft adventure, fishing, golf, spas and cultural experiences.
- Continued promotion of Thompson Okanagan and BC Rockies ski areas will be actively pursued.

### *Target Audiences*

- Primary focus will be on leisure travellers with an existing awareness of Canada, specifically independent travellers purchasing component packages.
- Other target audiences include:
  - Skiers who have been to other international resorts.
  - Older, affluent consumers and empty nesters with international travel experience.
  - Young adventurers seeking a combination of nature and city experiences.



### Performance Objectives

- Contribute to the BC industry's revenue growth of 2.1% from Europe in 2001, and cumulative growth of 10% by 2003.
- Maintain a minimum 40% share of BC tours in key tour operator brochures.
- Obtain 75% good or excellent rating from buyers and sellers attending Canada's West Marketplace.

### Strategic Priorities

Tourism BC's marketing efforts in Europe position BC as a travel destination that offers a diverse range of uniquely Canadian experiences, combining nature and urban activities within Super, Natural surroundings.

- Develop 25-30 measurable key account co-op marketing programs designed to increase awareness and convert interest into sales.
- Develop and introduce new niche products and routes by providing training and information to tour operators and Canada Travel Specialist retail agents.
- Continue to participate in the CTC direct response television and print campaigns in the U.K. and Germany while influencing these programs to be more efficient.
- Continue to develop database-marketing opportunities in the U.K. and Germany.
- Continue to co-host Canada's West Marketplace, providing a vehicle for BC and Alberta tourism businesses to build business from overseas tour operators.
- Enhance our retail trade position by co-hosting the 2001 DER Academy in Vancouver: the Academy selects 700 German-speaking travel agents from over 4000 applicants to participate in training seminars and familiarization trips in a different worldwide location each year.
- Distribute 150,000-200,000 Tourism BC publications in the U.K., Germany, the Netherlands, Italy and France.
- Proactively seek targeted media to gain unpaid coverage of new and existing BC products.

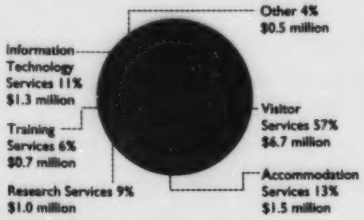
# TOURISM OPERATIONS

## PERFORMANCE THROUGH [redacted]

Tourism Operations works directly with visitors and industry to build customer loyalty to all regions of the province. The division's activities can affect the consumer at each stage of their BC vacation experience, and include information fulfillment, promoting increased travel and product sales. Key activities include enhancing standards for facilities, services and amenities, long-term professional development programs for the tourism workforce and research for the BC tourism industry. In addition, the integration of information technology with the corporation's primary business strategies is another core activity for Tourism Operations.

- Increase length of stay and encourage visitors to see different parts of the province.
- Enhance the quality of tourism products and services.
- Assist in developing a professional, well-trained workforce.
- Collect and disseminate information on all markets and visitors.
- Move Tourism BC to an advanced online business.

**Tourism Operations 2001/2002 Expenditure Summary**




## VISITOR SERVICES AND SALES

The Visitor Services and Sales unit ensures that visitors receive timely and accurate information and services throughout both their trip planning and vacation experience. This unit responds to visitor needs in a variety of ways, including brochure request fulfillment, accommodation reservations, trip counselling and providing retail opportunities to purchase a Super, Natural memento of their vacation.

## SUPER, NATURAL BRITISH COLUMBIA RESERVATION AND INFORMATION SERVICE (SNBC)

Tourism British Columbia's toll-free Super, Natural British Columbia Reservation and Information Service (1-800 HELLO BC) offers a full range of information and reservation services and is an important first point of contact for many visitors to the province. The call centre operation has more than 700 industry operators subscribing to the booking component that also is the primary reservation system for Discover Camping, the West Coast Trail, Bowron Lake Canoe Circuit and Gwaii Haanas National Park Reserve. Integrating the reservations service into our Visitor Info Centres and our web site, HelloBC.com, ensures a consistent and quality product is offered to our visitors.



### Performance Objectives

- Convert 20% of callers to bookings.
- Increase revenue margins for the Discover Camping program by shifting the percentage of bookings through the web site from 27% to 30%.
- Maintain customer service including call length and grade of service at current rates.

### Strategic Priorities

- Continue to build partnerships with inventory providers from across the province to expand selection of products for customer purchase.
- Integrate call centre technology with web site technology and provide call centre support to add value to HelloBC.com.
- Pursue call streams that result in qualified calls and visits to the call centre/web site.

## VISITOR INFO SERVICES

Tourism BC operates four Visitor Info Centres at key Alberta and U.S. border crossings and partners with an additional 110 community-based Visitor Info Centres throughout British Columbia. Every year, these centres welcome approximately 3.2 million visitors and provide a wide range of services including detailed trip counselling, accommodation reservations and Super, Natural British Columbia retail products.

Recognizing the importance of a quality visitor experience, all Visitor Info Centres must meet standard criteria and are monitored twice a year.

The Visitor Services unit also manages the Tourism Product Database, a comprehensive listing of 7,000 tourism products and services, and provides warehousing and distribution services.

### Performance Objectives

- Increase average Quality Service Program results by 2%.
- Increase merchandise sales and royalty revenues by 3%.

### Strategic Priorities

- Develop activities and programs that result in a quality one-stop full-service experience for the visitor.
- Increase Visitor Info Centre participation in the merchandising program.

## ACCOMMODATION SERVICES

To secure loyal, repeat customers, Tourism BC's Accommodation Services unit works with the hospitality industry to enhance standards of accommodations, artisans and attractions. The unit's activities include the approved accommodation program and highway signage programs, Access Canada, Canada Select, and industry counselling.

A major publication produced by this unit is the annual Approved Accommodations Guide, the most comprehensive directory of accommodations in the province. More than 2,800 properties participate in the program. The Canada Select Accommodation Rating Program addresses the trend for consumers to choose accommodation predicated on a quality rating.

### Performance Objectives

- Increase participation in all accommodation programs by 2% in fiscal 2001/2002.
- Complete 1,400 regular inspections, 225 Canada Select Quality gradings and five Access Canada inspections.

### Strategic Priorities

- Streamline and improve effectiveness of property inspections.
- Realign guide programs and procedures to integrate the information technology plan and impacts of HelloBC.com.

## TRAINING SERVICES

Recognizing that the quality of the visitor experience is vital to long-term growth of tourism in BC, Training Services works with industry to develop a professional workforce with strategic priorities based on the needs of the labour market.

Training Services develops curriculum materials and also supports the trainers who conduct SuperHost Face to Face workshops, Tourism BC's internationally recognized customer service training workshops. SuperHost continues to see over 20,000 participants per year in these programs. Among these is the popular Frontline Management Solutions, specifically designed for managers and supervisors in the tourism and service industry.



### Performance Objectives

- Train 20,000 participants in SuperHost Face to Face and Frontline Management Solutions programs in BC.
- Operate SuperHost programs at net cost of $63,000 for fiscal 2001/2002.
- Identify and help implement a sustainable long-term delivery model for human resource development for the tourism industry.

### Strategic Priorities

- Target marketing and sales strategy to corporate client sector.
- Explore and develop partnerships to reach potential clients and to share expertise.
- Work with partners to ensure a stable structure for coordinating tourism human resource development policy and activities in BC.
- Provide funding support for key industry programs including certification, standards and training.



## RESEARCH SERVICES

Research Services provides the tourism industry with information on the dynamics of world travel markets and the performance of specific industry sectors in BC. In 1998/99, Research Services instituted a performance monitoring system that systematically sees relevant information on the status of the industry shared with stakeholders. An Industry Advisory Council has been created to assist in gathering and interpreting information.

Research Services publishes key research information, including tourism revenue and volume forecasts, Tourism Indicators, and the Value of Tourism. A new monitoring system is being designed which will collect visitor information from key markets on a regular basis, updating the foundation established by the 1995/96 Visitor Study.

### Performance Objectives

- Produce and distribute a portfolio of research information both in print and electronically to the tourism industry, including an annual Tourism Outlook, eight issues of Tourism Indicators, plus monthly customs entries data in fiscal 2001/2002.
- Design, test and implement an updated program to measure visitor volume/revenue in the British Columbia market.
- Collect and distribute expanded data sets on the BC accommodation sector including occupancy, market origin, capacity and utilization.
- Complete one product sector study and the annual corporate stakeholder survey.

### Strategic Priorities

- Continue to build partnerships with industry and other tourism organizations to improve research information.
- Track key issues including competitive spending levels, economic forecasts and domestic airline restructuring.
- Improve efficiencies in the distribution of research information through the use of the Internet.

## INFORMATION TECHNOLOGY SERVICES

Information Technology Services provides technology leadership for Tourism BC and ultimately the industry through the development and implementation of information technology (IT) strategies. In addition to day-to-day responsibilities for office systems, this unit is also responsible for developing and maintaining HelloBC.com.

### Performance Objectives

- Increase visitation and bookings to the HelloBC.com web site by 10%.
- Increase effective operation levels for core computer systems by 1% to an average of 99% during regular business hours for fiscal 2001/2002.
- Develop and implement a common technology platform to support the delivery of integrated programs and maximize the functionality of Tourism BC's distribution channels. Priority applications for development to be determined in the corporate e-business strategy.

### Strategic Priorities

- Integrate e-strategy with the tactical technology implementation plan.
- Stabilize and continue execution of operational strategies to ensure sustainability of the technology platform.
- Build relationships and online partnerships with key travel industry companies and other potential partners to increase exposure and visitation to HelloBC.com and enhance its functionality.

# BUSINESS DEVELOPMENT

## PERFORMANCE THROUGH & PROMOTION

To help Tourism British Columbia fulfill its mandate, the Business Development division explores opportunities for additional revenue for reinvestment in the corporation's business activities. This division also carries out the industry development function and manages communications and marketing services to support Tourism BC's Business Plan.



## BUSINESS DEVELOPMENT

Business Development's primary activities include merchandising and joint venture programs and other strategic partnerships. This unit also assists in the exploration of emerging markets, cultural tourism sectors and evaluates non-traditional opportunities.

### Performance Objectives

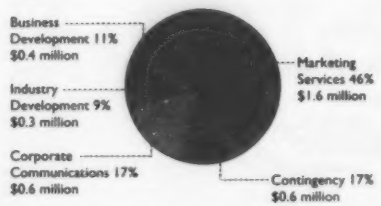
- Develop new sources of revenue and maintain existing sources and leveraged funding.
- Assist in the development of a cultural tourism sector.
- Build awareness of the Vancouver Whistler 2010 Olympic Bid.

### Strategic Priorities

- Maintain and expand relationships with both traditional and non-traditional partners.
- Assist the Aboriginal Tourism Association of BC to build programs as well as identify and assist in developing other opportunities in the cultural tourism sector.
- Oversee implementation of WorldHost as part of the Vancouver Whistler 2010 Olympic Bid process.

- Contribute to revenue generation, job creation and balanced growth in the tourism industry.
- Raise awareness and support for Tourism BC and the tourism industry.
- Provide expertise and support for the tourism industry.
- Provide quality and cost-effective advertising and publication services.
- Increase trade and consumer awareness of BC as a top travel destination through strategic management of travel media.

**Business Development 2001/2002 Expenditure Summary**


Business Development 11% $0.4 million
Industry Development 9% $0.3 million
Corporate Communications 17% $0.6 million
Marketing Services 46% $1.6 million
Contingency 17% $0.6 million

## CORPORATE COMMUNICATIONS

The Corporate Communications unit develops and manages programs to raise awareness and support for the value of the tourism industry in British Columbia, and for Tourism BC's activities. This unit provides timely, relevant information to industry and the media on developments that affect tourism in the province.

### Performance Objectives

- Effectively identify, monitor and manage all tourism-related issues facing the corporation, including reinforcing the vision and values of Tourism BC.
- Publish key publications, including the Program Guide, Business Plan, Annual Report and 24 Super, Natural Fax newsletters.
- Manage and support Tourism BC presentations and events that further enhance our two-way communications with key stakeholders across the primary industry sectors and throughout the tourism regions.

### Strategic Priorities

- Continue to foster relationships with key media.
- Manage resources of department to ensure the Program Guide, Business Plan, Annual Report and Super, Natural Fax are produced on time and on budget.
- Identify opportunities for Tourism BC participation that will further delivery of key messages.

## INDUSTRY DEVELOPMENT

Through its everyday operations, Tourism BC collects a vast amount of business information and insight. The Industry Development unit was established in 1999 to make this material available to the tourism industry as a tool for building the industry. Industry Development employs a variety of methods such as presentations, road shows, workshops and individual business counselling to bring business-building information to tourism operators and others interested in the industry.



### Performance Objectives

- Facilitate improved business practices and profitability within industry.
- Deliver one road show per year in each of the six tourism regions.
- Develop and deliver six community planning sessions to assist in the development of community knowledge, programs and infrastructure that allow more effective programs and linkages into the tourism system.

### Strategic Priorities

- Assist in developing new sector organizations and community programs that contribute to the awareness and promotion of tourism products and events.
- Further develop Business Essentials workshops and guide books.

## MARKETING SERVICES

Marketing Services manages the development of all consumer and trade publications, in addition to providing advertising and production services to Tourism BC. The Image Bank, a resource centre of photographs and videos available to industry operators for use in promotional materials, is also managed by Marketing Services. As well, the unit supports Tourism BC's marketing campaigns through a strategic media relations program targeted to both North America and overseas markets.



### Performance Objectives

- Provide high quality, efficient and cost-effective advertising and production services to all Tourism BC divisions.
- Effectively manage the publications program by maintaining 100% cost-recovery, distributing 300,000 Vacation Planners and 140,000 Outdoor & Adventure Guides.
- Enhance the availability of high quality imagery of BC and its tourism product to internal and industry users.
- Generate $60 million of unpaid editorial coverage in key markets in the U.S. and Canada and increase trips to BC by key media.

### Strategic Priorities

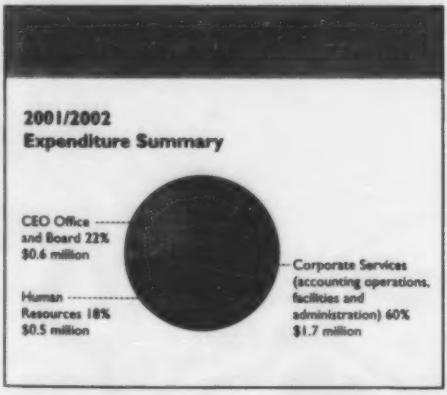
- Continue to implement a proactive distribution plan for publications.
- Complete a three-year publication review, including integration with the Internet and new media.
- Conduct a review of the Image Bank to assess system technology and user requirements for service.
- Build awareness and experience of BC's tourism product with key media.
- Develop media interest across the regions.

# CORPORATE SERVICES AND HUMAN RESOURCES

**PERFORMANCE THROUGH CORPORATE**

## CORPORATE SERVICES

A marketing-driven organization such as Tourism British Columbia requires sound financial and performance management systems to support all activities and help ensure value is obtained for money spent. Corporate Services provides the infrastructure and direction that assure efficient, cost-effective performance across the organization and assist the corporation in achieving its business goals and objectives.


2001/2002
Expenditure Summary
CEO Office and Board 22% $0.6 million
Human Resources 18% $0.5 million
Corporate Services (accounting operations, facilities and administration) 60% $1.7 million

### Performance Objectives

- Ensure favourable conditions for corporate decision-making by providing useful, accurate and timely financial information.
- Ensure Tourism BC's published Annual Report and three year Business Plan Highlights comply with the Budget Transparency and Accountability Act (BTAA).
- Net investment returns match or outperform the BC Investment Management Corporation's short-term money market fund (STI).

### Strategic Priorities

- Maintain the integrity of the financial system through a thorough system of controls and continue to provide monthly financial statements and reports to key decision makers.
- Work with program staff to ensure measures and targets are meaningful and meet pre-established criteria.
- Analyze investment options and examine alternatives on an ongoing basis.

# HUMAN RESOURCES

To be recognized as a world leader in tourism destination management, Tourism BC's people must achieve a high level of professionalism characterized by dedication and energy. The Human Resource Development division develops and leads internal programs to maintain the high quality of our workforce, aligning human resources and business strategies. The division focuses on recruitment, labour relations, compensation and benefits, and training and development.



The activities of this division are based on the goal of creating a positive work environment that will attract the best people to provide excellent service to our customers and stakeholders.

## Performance Objectives

- Recruit and develop the right people at every level of the corporation. Our goal is to fill vacant positions within three months.
- Invest in appropriate staff development programs to build Tourism BC's competitive advantage by providing 1.5% of the corporation's salary budget for development and training.
- Continue to instill a values-based corporate culture, indicated by positive levels of job satisfaction as measured by our employee satisfaction survey of "satisfied" or better.
- Continue to build solid management-union relationships, with success determined by outcomes of the collective bargaining process in 2002 and minimal union grievances filed.

## Strategic Priorities

- Continue to lead the process of working in a values-based corporation.
- Ensure compensation systems reflect market.
- Conduct annual employee satisfaction survey.
- Manage the corporation's performance achievement process.
- Lead the collective bargaining process in 2002.